

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 567 – SB 769

March 28, 2017

SUMMARY OF ORIGINAL BILL: Revises various statutes relative to wills, trusts, and guardianships. Proposes new statutes relative to filing claims against estates, felonious killing and forfeiture of rights under an estate, effects of divorce on taking under a will or from an estate, descent and distribution, and holographic wills. Makes various changes to reflect the repeal of the inheritance, gift, and estate taxes.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (005908): Adds a new section to the proposed legislation requiring a claimant to pay the \$7.00 fee authorized by Tenn. Code Ann. § 8-21-401(c)(9) for each residuary beneficiary to whom notice must be given under Tenn. Code Ann. §30-2-313(b).

Deletes and rewrites section 12 relative to holographic wills to make minor changes.

Deletes sections 10, 14, and 16 from the bill relative to revocation after divorce or annulment of beneficiary designations, revocation after divorce or annulment of an appointment of a former spouse as a durable power of attorney, and revocation after divorce or annulment of dispositions under a trust.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The proposed legislation makes numerous changes to probate law including requiring a court clerk to give written notice to each residuary beneficiary of the decedent's estate within five days of personal representative filing a claim against the estate and to clarify when the statute of limitations begins to run for a breach of trust claim.

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- The Administrative Office of the Courts reports that the proposed legislation will not significantly impact court operations.
- The Bureau of TennCare and the Department of Revenue report that the various changes to probate matters will not impact their collection efforts.
- The proposed legislation requires a claimant to pay the \$7.00 fee authorized by Tenn. Code Ann. § 8-21-401(c)(9) for each residuary beneficiary to whom notice must be given under Tenn. Code Ann. §30-2-313(b). The proposed legislation amends Tenn. Code Ann. § 30-2-313(b) to require such notice. The fee will offset the cost of providing such notice.
- Though the proposed legislation will result in additional fees being collected by court clerks, it is assumed that the fee will be applied toward the cost of providing notice. It is assumed that the proposed legislation will not significantly increase court clerk fee revenue. Any net budgetary impact is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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